

TN Basic Education Program Review

Advocacy Guide



Funding for Students With Disabilities

Why Funding Matters for Students With Disabilities

During the 2020–21 school year, more than **one in 10 Tennessee students had a diagnosed disability**. Recent research illuminates how **money matters in schools**. Increasing school funding for students with disabilities can lead to **higher student outcomes for students with and without disabilities**.

Funding matters for students with disabilities because systems have short-changed them for far too long. Like all supplemental services, these supports require additional funding above the average per-student amount. Tennessee has an opportunity now to modernize how we educate our diversifying student population by ensuring that schools have the resources necessary for success.

Why a Student-Weighted Formula Matters for Students With Disabilities

Student-weighted formulas improve equity, increase transparency, and maintain flexibility. **Twenty-nine states** use some form of a student-weighted formula for students with disabilities. In contrast, Tennessee is one of only **three states** that uses a resource-based allocation for students with disabilities. Tennessee's funding formula, the **Basic Education Program**, allocates funding across multiple classifications based on the number of students with a disability. Staff categories are funded based on a ratio (e.g., one assessment staff member for every 600 students with a disability). Non-staff categories are allocated based on a

flat weight (e.g., \$17.25 in travel funding for every student with a disability). However, flat weights do not vary based on student needs, and resource-based allocations often do not capture everything required to educate students with increased needs. Additionally, **resource-based allocation minimums** prevent school districts with small populations of students with disabilities from receiving funding at all. Weighted funding models allow states to be responsive to changing needs that support students with disabilities.

Model Funding Policies for Students With Disabilities

Serving students with disabilities requires more resources to meet student needs. Therefore, students with disabilities should receive an additional weight, with five distinct tiers, to the base funding allocation. Students should be assigned to different levels based on their specific abilities and skills listed in their IEP using a scoring system by a Department of Education IEP review team. Using an IEP-based scoring system more precisely targets funds to needs rather than relying on a diagnosis or student's educational setting. Students with disabilities are not a monolith and have different needs. For example, students with an autism diagnosis often have needs that vary widely and may require different funding levels. Additionally, this state review process will provide a layer of state review to check that students are not under or over-identified based on their identity or for any monetary incentives that place students in more restrictive

environments. In addition to the weighted student funding model, Tennessee should maintain a high-cost fund specifically to support districts whose special education costs are comparatively higher than others. For example, [16 other states](#) implement high-cost services funding for special education.

Model Policies For Students With Disabilities Should Include:

- A generous weight for students with disabilities in addition to the base amount. Students are assigned to one of the five tiers based on their IEP's listed skills and abilities, increasing funding for students with more significant needs.

- A high-cost service fund that provides additional support to districts with higher special education costs.

Model Funding Practices in Other States

Georgia: See *Ga. Code Ann. § 20-2-161*. Georgia provides increased funding for students with disabilities at five different weight levels.

Colorado: See *Colo. Rev. Stat. Ann. § 22-20-114, § 22-20-114.5*. Colorado uses a multi-tier system to allocate funding. Additionally, the legislature annually appropriates \$4 million to reimburse districts for high-cost special education services.

Here are the funding policies for students with disabilities in all 50 states.

Key Questions To Ask Policymakers

- Is Tennessee considering tiered weights for students with disabilities? Will it include additional funding for districts with high special education costs?
- How will Tennessee determine the different tiers for educating students with disabilities? How will the State assign students to different levels? Will students identified with dyslexia based on [State law](#) but without an IEP or 504 qualify for the students with disabilities weight?
- How will Tennessee determine the appropriate weights for educating students with disabilities at each tier?
- How will Tennessee determine the high-cost special education fund's annual allocation?
- Will Tennessee allocate multiple weights for students who have a disability and are from a low-income background, an English learner, or in another student group?
- How will Tennessee monitor IEPs and the identification of students with disabilities in schools and districts?

Additional Resources

- [50-State Comparison K-12 and Special Education Funding: Special Education Funding](#), Education Commission of the States, 2021
- [Five Ways That States Limit Special Education Spending](#), Education Commission of the States, 2019
- [How Can School Finance Systems Support Students With Additional Learning Needs?](#), Bellwether Education Partners, 2021
- [Common Sense & Fairness Funding Tool Builder](#), EdBuild, 2020